

Downtown Muskegon Business Improvement District

Meeting Minutes

July 22, 2015

380 W. Western Ave., Suite 202 Muskegon, MI at 4PM

- 1) Call to Order: 4:02PM
- 2) Attendance:
 - a) Doug Pollock (Chair), Bruce Lindstrom, John Riegler, Connie Taylor, Bob Tarrant, Mike Hennessy, Gary Post

Excused Absents: Justin Clark (military leave), Frank Peterson (personal)

3) Consent Agenda

- a) Approval of Agenda

Motion: Bruce Lindstrom
Support: Connie Taylor
Vote: All in favor

- b) Approval of Minutes from the May 20, 2015 Meeting

Motion: John Riegler
Support: Bruce Lindstrom
Vote: All in favor

- 4) Public Comment (on an agenda item) – The board chose to leave the floor open for the whole meeting allowing attendees to participate as they like.
- 5) Unfinished Business

- a) Setting Meeting Schedule (memo 1)

It was motioned that a rotation of 3rd Tuesdays every other month for board meetings be selected for the remainder of 2015 (starting 9/15/15) and all of 2016. Meetings will be at 4PM.

Motion: Connie Taylor
Support: Bob Tarrant
Vote: All in favor

6) New Business

- a) Discussion/recommendation of BID assessment/services (see memo 2)

Chair Pollock and staff recapped a meeting they had with City of Muskegon staff regarding next steps and logistics for the BID/BID Assessment. Several issues arose from the meeting:

- Two addition special meetings will need to be held before the assessment goes into place
- The minimum assessment should be reconsidered
- City staff indicated that only one billing per year should/could be done
- City staff recommended a multiyear assessment
- There needed to be more explanation of the marking and service to be provided

Special Meeting/Next Steps Overview:

Staff went over next steps as laid out by the city regarding establishing the special assessment. There will need to be two additional special meetings. The first would be to let property owners know that a special assessment district is being recommended and noting the services which will be provided by the district. There will need to be a two week notice for this special meeting as well as a mailing. The special meeting would be held on the same day as a City Commission meeting.

Following that special meeting, the assessment recommendation would be forwarded to the assessor's office for a review of reasonableness and to formally determine what each property owner's assessment would be. A second mailing would then occur notifying the property owners of their individual assessment and providing them an opportunity to respond to the assessment at a second special meeting.

Minimum Assessment:

Staff explained the city's concern about the minimum assessment, which at the root was essentially by implementing a minimum those who are assessed the minimum will be paying a higher price per square foot. There was support from the board about eliminating the minimum and just doing a straight assessment up to the cap. Staff was asked how many properties fell into the minimum assessment and for an example of how much this changed a property's assessment.

Staff noted there were approximately two dozen properties within the BID which would be impacted by the minimum assessment and that in a few instances the assessment more than doubled what an assessment would be based on the square foot formula. Staff then also pointed out that if the minimum were eliminated it would be a total decrease in the overall assessment collection of about \$2,700.

Chair Pollock noted he was in support of eliminating the minimum since this looks to be a manageable reduction and it would ensure property owners were on an even playing field.

Visitor Alan Jager said he was conflicted about if that's the best because with other services there could be of bigger benefit to those paying the lower assessment.

Gary Post asked about how the square footage was arrived at. Staff let him know it was with the county's assessing software.

Visitor Alan Jager asked about the alleys – staff let him know that most alleys in the downtown are owned and maintained by the individual condo associations and or privately maintained.

There was a motion to eliminate the minimum assessment and do a straight assessment up to the cap of \$3,000.

Motion: Connie Taylor
Support: Bob Tarrant
Vote: All voted in favor

Number of Billings Annually:

Chair Pollock asked, in light of the meeting with city staff, if it was a dead issue on two billings or could this be explored further?

Staff thought this matter could be explored further.

There was a consensus among board members that the assessment should be broken up into two billings as this would make it easier for property owners to plan for the cost of the new assessment.

- Staff was asked to work with city staff on doing two billings, rather than the one winter assessment. The board is very much interested in two billings

Multi-year assessment:

During the meeting with city staff it was pointed out that these assessments could be implemented for a period between 1 and 5 years. City staff recommended that the BID Board consider doing a multiyear assessment. Primary reason being is, even if the same assessment level is recommended for a subsequent year the same public notification process will need to be followed as it will technically be a new assessment.

Board members John Riegler and Gary Post indicated support to keep a one year assessment for the first year and then look at the possibility of doing a multi-year assessment after that. There was concern that if the endeavor wasn't a success and/or the assessment level didn't prove to be adequate (or too much) that we could find ourselves stuck until that assessment expired. This would allow for more flexibility, even if it were a more complicated process.

Visitor Alan Jager said he was actually more in support of a multi-year assessment to keep things tighter and allow for planning. He was concerned that if it's a year-to-year assessment it could go up more quickly.

Chair Pollock thought that we've set the budget following the two worst winters and that we might actually have too much money set aside for snow removal – but it was better to set aside monies based on the past two winters in this instance.

There was a general consensus among board members to keep this at one year to start. Because this wasn't a change from the past recommendation, no formal vote was taken.

Marketing & Services:

Staff was instructed by the board to “beef up” the explanation of the services and marking that was to be done with BID funds and have that presented to the board at their next board meeting.

7) Other Business

Motion for a special board meeting on Tuesday, Aug. 18, 4PM
This will be a special meeting (not previously set in the rotation)

Motion: Bob Tarrant

Support: Connie Taylor

Vote: All in Favor

8) Adjournment

4:47PM

Motion: Gary Post

Support: Bruce Lindstrom

No Objection